

COMMITTEE REPORT

MR. PRESIDENT:

The Senate Committee on Finance, to which was referred House Bill No. 1591, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1 Page 2, line 3, delete "according to the 1990 federal".
- 2 Page 2, line 4, delete "decennial census".
- 3 Page 2, between lines 10 and 11, begin a new paragraph and insert:
- 4 **"(c) A deduction under section 4.5(d) of this chapter is not**
- 5 **allowed with respect to new manufacturing equipment described**
- 6 **in subsection (b) in the first year the deduction is claimed or in**
- 7 **subsequent years as permitted by section 4.5(d) of this chapter to**
- 8 **the extent the deduction would cause the assessed value of all real**
- 9 **property and personal property of the owner in the taxing district**
- 10 **to be less than the incremental net assessed value for that year.**
- 11 **(d) The following apply for purposes of subsection (c):**
- 12 **(1) A deduction under section 4.5(d) of this chapter shall be**
- 13 **disallowed only with respect to new manufacturing equipment**
- 14 **installed after March 1, 2000.**
- 15 **(2) "Incremental net assessed value" means the sum of:**
- 16 **(A) the net assessed value of real property and depreciable**
- 17 **personal property from which property tax revenues are**
- 18 **required to be held in trust and pledged for the benefit of**
- 19 **the owners of bonds issued by the redevelopment**
- 20 **commission of a county described in subsection (b) under**
- 21 **resolutions adopted November 16, 1998, and July 13, 2000**
- 22 **(as amended November 27, 2000); plus**

1 **(B) fifty-four million four hundred eighty-one thousand**
 2 **seven hundred seventy dollars (\$54,481,770).**

3 **(3) The assessed value of real property and personal property**
 4 **of the owner shall be determined after the deductions**
 5 **provided by sections 3 and 4.5 of this chapter.**

6 **(4) The personal property of the owner shall include**
 7 **inventory.**

8 **(5) The amount of deductions provided by section 4.5 of this**
 9 **chapter with respect to new manufacturing equipment that**
 10 **was installed on or before March 1, 2000, shall be increased**
 11 **from thirty-three and one-third percent (33 1/3%) of true tax**
 12 **value to one hundred percent (100%) of true tax value for**
 13 **assessment dates after February 28, 2001.**

14 **(e) A deduction not fully allowed under subsection (c) in the first**
 15 **year the deduction is claimed or in a subsequent year permitted by**
 16 **section 4.5 of this chapter shall be carried over and allowed as a**
 17 **deduction in succeeding years. A deduction that is carried over to**
 18 **a year but is not allowed in that year under this subsection shall be**
 19 **carried over and allowed as a deduction in succeeding years. The**
 20 **following apply for purposes of this subsection:**

21 **(1) A deduction that is carried over to a succeeding year is not**
 22 **allowed in that year to the extent that the deduction, together**
 23 **with:**

24 **(A) deductions otherwise allowed under section 3 of this**
 25 **chapter;**

26 **(B) deductions otherwise allowed under section 4.5 of this**
 27 **chapter; and**

28 **(C) other deductions carried over to the year under this**
 29 **subsection;**

30 **would cause the assessed value of all real property and**
 31 **personal property of the owner in the taxing district to be less**
 32 **than the incremental net assessed value for that year.**

33 **(2) Each time a deduction is carried over to a succeeding year,**
 34 **the deduction shall be reduced by the amount of the deduction**
 35 **that was allowed in the immediately preceding year.**

36 **(3) A deduction may not be carried over to a succeeding year**
 37 **under this subsection if such year is after the period specified**

1 **in section 4.5(d) of this chapter or the period specified in a**
2 **resolution adopted by the designating body under section 4.5(h) of**
3 **this chapter."**

(Reference is to HB 1591 as printed February 9, 2001.)

and when so amended that said bill do pass .

Committee Vote: Yeas 15, Nays 0.

Senator Borst, Chairperson